

L T C A l e r t

What You Should Know About Long-Term Care

California Partnership for Long-Term Care

December 2003

Happy Holidays and Season Greetings From the Partnership

The staff of the California Partnership for Long-Term Care wish you a wonderful holiday season and a happy and prosperous new year. 2004 should prove to be an interesting year for California and the Partnership. We will introduce a new Partnership insurer and roll out a new employer LTCI offering.

Along with the new year comes new coverage and tax qualified limits. The focus of this holiday's LTC Alert will be the new limits set by the Partnership, Medi-Cal and the IRS.

Coverage Limits for Partnership Policies Issued for Calendar Year 2004

Minimum coverage limits for 2004 are as follows:

- The daily minimum benefit amount for nursing home care benefit payments is \$110.
- The daily minimum benefit amount for Residential care benefit payments is \$77.
- The minimum monthly benefit amount for home and community based care benefit payments is \$1,650.
- The minimum coverage for lifetime maximum benefit payments is \$40,150.

Medi-Cal Resource Limits for Calendar Year 2004

The California Department of Health Services' Medi-Cal

Eligibility Branch has issued the year 2004 community spouse resource allowance (CSRA) and the minimum monthly maintenance needs allowance (MMMNA). The year 2004 CSRA is \$92,760 and the 2004 MMMNA is \$2,319 in monthly income. In 2004, the following is the minimum monthly maintenance needs level:

- If living in the community, an individual may keep \$600, a married couple \$934; or

- If in a nursing home, an individual may keep \$35 in monthly income for personal needs; the at home spouse may keep all of the income received in his/her name, regardless of the amount. If the amount is below \$2,319 per month, the institutionalized spouse may allocate income to bring the at home spouse's income up to \$2,319 per month.

The 2004 minimum monthly maintenance needs levels are as follows:

- If living in the community, an individual may keep \$600, a married couple \$934
- If in a nursing facility, an individual may keep \$35 monthly; the at home spouse may keep all the income received in his/her name, regardless of the amount. If the amount is below \$2,319 per month, the institutionalized spouse may allocate income to bring the at home spouse's income up to \$2,319 per month.



2004 Tax Qualified Limits Set by IRS

Age Individual Limitation (Attained age before close of taxable year).

40 or less is \$260
41 to 50 is \$490
51 to 60 is \$980
61 to 70 is \$2,600
Over 70 is \$3,250



FYI - In an effort to reduce costs, the Partnership no longer mails copies of our LTC Alerts. If you have an e-mail address, please e-mail your name and license number to cpltcas@dhs.ca.gov. When ready for distribution, LTC Alerts will be sent via e-mail. For those who do not have an e-mail address, you will be able to access the LTC Alerts through the website.

Important Notice

The average private nursing facility daily cost for 2004 will be \$165. Partnership policies can pay no less than 70% of the average private pay daily nursing facility costs, which for 2004 remains \$110.

LTC Alerts are produced by the California Partnership for Long-Term Care as a service to agents and their clients.